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ABSTRACT

Findings of a study that investigated transformational and transactional leadership behaviors in elementary and secondary school principals are presented in this paper. Transactional leadership is often used to accomplish lower-order managerial objectives, such as clarifying work expectations and maintaining quality of performance, while transformational leadership, however, is related to long-term development and change, producing higher levels of effort and satisfaction in followers, which translated to greater productivity and quality outcomes for the organization. The study also sought to measure the relationship of transformational and transactional leadership factors with the organizational outcomes of extra effort, effectiveness, and satisfaction. Methodology involved the administration of two surveys: (1) one to 27 elementary, junior high, and high school principals in south central Minnesota, in which respondents described their leadership behaviors, and (2) one to 482 teachers who rated the 27 principals' behaviors. Findings indicate that principals tended to exhibit transformational leadership behaviors, but needed improvement in the transformational areas of intellectual stimulation and individualized consideration, and in the transactional areas of contingent reward and management-by-exception. The findings provide a new perspective on how to view principals in relation to exceptional leadership, organizational effectiveness, satisfaction, and teacher motivation. Eighteen tables are included. (LMI)

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Transformational Leadership in Principals: An Analysis of the Multifactor Leadership Questionnaire Results

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Transformational Leadership in Principals:
An Analysis of the Multifactor Leadership Questionnaire Results

Abstract

This study investigated transformational and transactional leadership behaviors in elementary and secondary school principals. The effects of transformational and transactional leadership in organizations suggest that each is important for particular outcomes. Transactional leadership is often used to accomplish lower-order managerial objectives, such as clarifying work expectations and maintaining quality of performance. Transformational leadership, however, is related to long-term development and change. It produces higher levels of effort and satisfaction in followers, which translate to greater productivity and quality outcomes for the organization (Bass & Avolio, 1990). The researcher investigated to what extent transformational and transactional leadership behaviors are observed in twenty-seven (27) principals in Minnesota. The results of this study provide a new perspective on how to view principals in relation to exceptional leadership, organizational effectiveness, satisfaction and teacher motivation.

Chapter I

Introduction, Purpose, Significance of the Study

Introduction

While instructional leadership in the principal has been the subject of numerous educational writings throughout the 1970s and 80s, the construct of transformational/transactional leadership in schools is only now making its debut. The paradigm of transformational and transactional leadership provides a new model for increasing our understanding of exceptional performance in principals. To understand why some school staffs appear to operate from higher planes of motivation, morale and achievement, while others do not, may lie in the extent to which the principal demonstrates transformational and transactional leadership. By measuring the effects of the principal from this perspective, valuable information may be gained for further understanding exceptional leadership in schools and its effects on teacher motivation and organizational outcomes.

Purpose of the Study

The purpose of this study was to identify transformational and transactional leadership in twenty-seven principals, as viewed by themselves and by their teachers through data collected on the Multifactor Leadership Questionnaire. The study also sought to measure the relationship of transformational and transactional leadership factors with the organizational outcomes of Extra Effort, Effectiveness, and Satisfaction.

Significance of the Study

The school principal has been the subject of numerous studies over the past two decades. In particular, the role of the principal as an instructional leader has dominated staff development and professional training throughout the 1980s. The Effective School Research of the 1970s generated a national momentum for focusing on the principal as a critical element in school improvement. The words of the late researcher Ron Edmonds that "There are some bad schools with good principals, but there are no good schools with bad principals" captured the attention of educators, and gave new meaning to what it means to be a principal. Part of this new meaning was the emphasis on the principal as an instructional leader, that is, one who knows curriculum and effective instruction, and who successfully achieves school-wide improvement in these areas. This instructional leadership focus was a welcome trend in the field, because it identified the principal's role as vital for advancing the mission of the school. During the 1980s, selection and hiring of principals who possessed instructional leadership competencies became an important criterion for districts across the country. Research findings continued to demonstrate that schools which made notable student achievement gains, had principals whose instructional leadership competence was consequential in effecting the school's success. The 1990s challenges school administrators to redirect their priorities again. This re-direction, however, does not abandon the importance of instructional leadership in principals, but does place it within a broader and more profound perspective--that of transforming the culture of the school. Now entering the mainstream of writings on the principalship is a focus on the "transformational leader." Viewing the principalship from the vista of Transformational Leadership augments previous research on instructional leadership findings by uncovering linkages between instructional leadership practices and organizational culture. This transformational picture of the principalship also reflects school reform rhetoric

which calls for a "new breed of principals" who can initiate and advance the changes required for schools to move into the 21st century (NAESP, 1990). Transformational principals transform the culture of their schools. They construct cultural linkages which, in effect, elevate the total educational enterprise. Building behavioral norms, using symbols, defining the school's mission, and fostering staff leadership are examples of transformational principals' effects in a school (Sashkin, 1988). Transformational leadership permeates the culture of a school far more than does that of instructional leadership, by touching deeper issues of human performance and communal norms.

Transformational and Transactional Leadership

The description of a transformational leader has been delineated by writers and researchers who have investigated the behaviors and qualities of exceptional leaders. James MacGregor Burns' 1978 publication of *Leadership* depicted leadership in two dimensions--"transformational and transactional." The author posited his classic definition of transformational leadership as "when one or more persons *engage* with others in such a way that leaders and followers raise one another to higher levels of motivation and morality" (1978). Burns also asserts that both leaders and followers are transformed by this relationship. "The result of transforming leadership is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents" (Burns, 1978). Bass and Avolio's research contributed empirical evidence to Burns' conceptual definition by investigating key behaviors of leaders in public and private organizations, which included CEO's of major corporations and non-supervisory project leaders. As part of the investigatory research, when managers and project leaders were requested to describe the most effective and memorable leaders they worked for in the past, their descriptions included labels such as, "inspirational, charismatic, intellectually stimulating, visionary, challenging, and oriented toward development"(Bass & Avolio, 1990). The results of these researchers' work led to the identification of four factors which characterize transformational leadership: Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration (Bass, 1990). Each of these factors is key in transforming individuals and organizations. They constitute higher-order leadership, and, although related to each other, they each have their own critical attributes.

Idealized influence refers to the charismatic quality of a transformational leader. This characteristic results in followers having respect, trust and confidence in the leader. The followers also identify with the leaders and the leader's vision.

Inspirational Motivation is related to Idealized Influence, and manifests itself in leader behaviors which generate optimism and encouragement in the followers. The use of symbols and mottoes, for example, are often part of the leader's repertoire of inspirational practices which increase awareness of mutually desired goals. Giving pep talks about the mission and vision are also examples of inspirational behaviors.

Intellectual Stimulation refers to the leader challenging followers to use new ideas or techniques to solve problems. Intellectually stimulating leaders often encourage the followers to question past practices and to think on their own. Leaders who demonstrate Intellectual Stimulation support innovative and creative ideas, especially in relation to the followers developing themselves.

Individualized Consideration is the transformational factor in a leader which emphasizes personalized attention and individualism towards followers. These leaders are highly focused on the developmental needs

of the followers, and not only respond to those needs, but also raise the level of needs to higher levels. Coaching, advising and mentoring are examples of Individualized Consideration in transformational leaders. Burns' eloquent exploration of leadership also includes the concept of "transactional leadership," which is characterized by an exchange relationship between leader and followers. Burns states that "transactional leadership occurs when one person takes the initiative in making contact with others for the purpose of an exchange of valued things" (Burns, 1978). Transactional leadership is a vital component of organizational functioning, and concentrates on operational concerns in the work setting. In organizations, transactional leadership occurs through the on-the-job interactions and exchanges between the leader towards subordinates which clarify roles and expectations, intervene when standards are not met, and recognizes desired performance. Transactional leaders also respond to followers needs, and recognize the tasks and roles required for followers to reach desired outcomes (Bass, 1990). These are basic managerial competencies which maintain the daily rhythm of organizational life. Bass and Avolio's research led to identifying two factors which reflect transactional leadership: Contingent Reward and Management-by-Exception. Contingent Reward refers to an active involvement and exchange of the leader towards the followers through positive and negative reinforcement and recognition. Management-by-Exception, however, is more passive in its transactions with followers, and is typified by intervention only when standards are not achieved. Transactional leadership is limited in its ability to amplify human performance and self-actualization. Such limitation affects the potential heights and magnitude the organization can reach. After studying the effects of transformational leadership in schools, findings clearly suggest that principals who do demonstrate both transformational leadership and transactional leadership are successful in their ability to elevate staff morale, performance and school-wide productivity. These effects alone are sufficient to raise the level of dialogue about leadership in schools, and to ask questions about how transformational leadership can be further developed in principals. It is transformational leadership which is the new focus for the school principal. An underlying premise of this new paradigm of leadership that instructional leadership alone is not sufficient to accomplish the broad and profound changes required for schools moving into the 21st century. The principals who will succeed in transforming schools will be those whose leadership corrals disparate individual interests into a collective movement towards a common vision, and who elevate human performance in the process.

Chapter 2

Methodology and Research Design

This study identified twenty-seven principals of south-central Minnesota who participated in the research project. The principals' staffs of 482 teachers also participated in the study by completing a leadership questionnaire, which was a direct report on their respective principals. The principals represented elementary, junior high, and high school levels, as well as rural, suburban and urban schools. Table I displays the breakdown of principals by number, gender and level.

Table 1

Number of Principals by Gender and Level

Number of Principals	F/M	Level
13	Female	Elementary
9	Male	
2	Female	Jr. Hi/H.S.
3	Male	

Table 1 shows that elementary principals were represented in this study by a ratio of 22:6, and gender demographics show that the group was comprised of fifteen female principals and twelve male principals. Table 2 illustrates the number of principals in urban/suburban and rural schools. Since there were only two principals in urban schools and ten in suburban schools, the two urban schools were combined with the ten suburban for purposes of analysis.

Table 2

Rural, Suburban/Urban Demographics

Number of Principals	
15	Rural
12	Suburban/Urban
27	Total

Selection of Principals

Selection of the twenty-seven principals was based on a selective or nomination process. Principals in the study were identified as "top performing" by one or more of the following groups:

- Supervisors
- Colleagues
- Teachers

The recommendations resulted from the researcher meeting with various groups of administrators and teachers, explaining the purpose of the study, and then requesting that the participants in these meetings

write down the names of any "top performing" principals they may personally know or have heard about. The researcher then contacted the recommended principals to request their participation in the study. Thirty principals were contacted; 27 consented to be in the study.

Multifactor Leadership Questionnaire

Data for analysis were obtained from the Multifactor Leadership Questionnaire (MLQ) developed by Avolio and Bass (1990). The questionnaire evolved over ten years of numerous investigations and field study of leaders in public and private organization. The instrument is based on three defining constructs--transformational leadership, transactional leadership and Laissez-faire (Nonleadership)--which form a model for comprehending lower- (transactional) and higher-order (transformational) effects of leadership. The instrument consists of eighty items in two forms: a Self Rating Form for the leader and the Rater Form for subordinates to complete. Each principal in the study completed the questionnaire, and questionnaires were also administered to teachers at each principal's school at a designated faculty meeting by a researcher. In addition to determining the transformational, transactional and nonleadership dimensions of the leader, the questionnaire items also pertained to organizational outcomes in reference to the extent that subordinates spend extra effort, and perceive organizational effectiveness and satisfaction as a consequence of the leadership of the principal.

Both the leader Self-Rating Form and the subordinate Rater Form provided respondents with a five-point rating scale for rating the frequency of observed leader behaviors. The anchors used were the following:

"0" "Not at all."
"1" "Once in awhile"
"2" "Sometimes"
"3" "Fairly often"
"4" "Frequently, if not always"

The Multifactor Leadership Questionnaire Labels and Descriptors

The Multifactor Leadership Questionnaire is based on three constructs of leadership: Transformational Leadership, Transactional Leadership and Laissez-faire Leadership, and uses seven factors to represent the constructs. The factors and their descriptions are listed in Table 3.

Table 3

Multifactor Leadership Questionnaire Labels and Descriptors

Factor Label	Descriptors
Transformational Leadership	
• Idealized Influence	• Gains respect and trust; attract followers; articulates a vision
• Inspirational Motivation	• Promotes optimism and belief in the possibilities of the vision
• Intellectual Stimulation	• Challenges past assumptions and ways; encourages new ideas
• Individual Consideration	• Gives personal attention to followers; develops leadership in the followers
Transactional Leadership	
• Contingent Reward	• Clarifies roles and tasks of followers; recognizes and rewards followers in exchange for performance
• Management-by-Exception	• Intervenes when standard are not met and takes corrective action
Laissez-faire	
• Nonleadership	• Avoids involvement and taking a stand; not around when needed

Note: For psychometric and descriptive statistics of the MLQ's reliability and other normative data, see reference for Bass & Avolio, 1990.

Administration of the Multifactor Leadership Questionnaire

During February-April, 1992, the Multifactor Leadership Questionnaire Self-Rating Form (Avolio & Bass, 1990) was administered to each of the twenty-seven principals, who independently self-rated themselves on each of the eighty items. The researcher also administered a parallel form of the questionnaire to each principal's teaching staff who independently rated their principals. The total number of teachers in the study who rated their principals was 482. The questionnaires were collected and computer-scored for each of the seven factors of the questionnaire, as well as for the three organizational effects items of Extra Effort, Effectiveness, and Satisfaction.

Chapter 3

Analysis of Data

Multifactor Leadership Questionnaire Data

The Multifactor Leadership Questionnaire forms were optically-scanned and computer-scored. Subsequent analysis provided the following information:

a) Mean scores for each of the seven leadership factors

b) Organizational norms for organizational outcomes

b) Correlational percentage data for organizational outcomes

c) Discrepancy mean scores for principals' self-ratings and teachers' ratings

Organizational Norms for Leadership Factors

The organizational norms for the seven leadership factors are displayed in Table 4 by factor, self-ratings of principals (S), teacher ratings (R), and the difference between the principals' and the teachers' ratings (S--R).

Table 4

Organizational Norms for Leadership Factors

Transformational Factors	**Mean Score**	**S--R**
Idealized Influence	3.0 Self	0.1
	2.9 Rater	
Inspirational Motivation	3.0 Self	0.2
	2.7 Rater	
Intellectual Stimulation	2.8 Self	0.2
	2.5 Rater	
Individualized Consideration	2.9 Self	0.3
	2.6 Rater	
Transactional Factors		
Contingent Reward	2.2 Self	0.0
	2.1 Rater	
Management-by-Exception	1.6 Self	-0.4
	2.0 Rater	
Laissez-Faire Factor		
Nonleadership	1.2 Self	-0.5
	1.7 Rater	

Note: A five-point rating scale was used for respondents to indicate the frequency of their ratings on each item in the questionnaire. The anchors used were the following:

"0" - "Not at all"

"1" - "Once in awhile"

"2" - "Sometimes"

"3" - "Fairly often"

"4" - "Frequently, if not always"

Table 4 indicates that overall, the principals in this study tended to demonstrate transformational leadership somewhere between 2 ("Sometimes") and 3 ("Fairly often"). Transactional leadership ratings hover around the anchor 2 ("sometimes"), and the Nonleadership style was rated somewhere between 1 ("Once in awhile") and 2 ("Sometimes").

Transformational Leadership Factors

• *Idealized Influence*

Idealized Influence is posited to be the most important piece of the transformational leadership paradigm. It separates the real leader from ordinary managers in the organization (Bass, 1985). Idealized Influence affects followers by capturing their trust and respect. Followers identify with such a leader and are attracted to the leader's vision. Principals in this study both self-rated themselves and were rated by their teachers on ten questionnaire items which pertained to Idealized Influence. Examples of questions which related to this factor included, "This person makes me feel good when I'm around him/her," and "This person has a sense of mission which he/she communicates to me." A five-point rating scale was used for respondents to indicate the frequency of their ratings on each item in the questionnaire. Table 5 displays the number of principals in each quartile, the range mean scores within each quartile and the overall teacher rating mean score for Idealized Influence.

Table 5

Idealized Influence

Number	Quartile	Range of Mean Scores	Overall Mean
8	4th	3.9--3.3	
6	3rd	3.2--3.1	
6	2nd	3.0--2.7	
7	1st	2.6--1.8	
			2.9

Table 5 indicates that the mean score ratings in the Idealized Influence factor spanned from 3.9 to 3.3. The key for a rating of 3 is "Fairly often," but one-half of the 4th quartile scores fell closer to 4, meaning "Frequently, if not always." The third quartile, however, shows that most of its ratings were closer to the anchor 4--"Fairly often," while responses in the second quartile ranged between "Fairly often" and "Sometimes." First quartile scores ranged very close to the "Sometimes" anchor. The overall mean score for

Idealized Influence is 2.9, which is very close to 3, "Fairly often." As a group, therefore, the principals reflected positive ratings by teachers in Idealized Influence. Almost three-quarters of the principals in this study demonstrated this transformational leadership factor "fairly often."

• *Inspirational Motivation*

An important component of Inspirational Motivation is the leader's ability to arouse enthusiasm and emotion in the followers. This factor is transformational, in that it moves followers to follow the ideal or vision articulated by the leader. Experience in the school setting would suggest that it is not easy to be inspirational most of the time. The mundane realities of everyday life can anesthetize higher-order aspirations, and it takes a special quality to arouse followers to transcend the ordinary. Examples of questions which the respondents rated in reference to this factor were, "This person sets high standards," "He develops ways to encourage me," and "She communicates expectations of high performance." Table 6 displays the number, quartile, range of mean scores and group mean score for the Inspirational factor, as rated by the teachers. As can be seen, the overall mean (2.7) indicates that as a group, the principals tended to demonstrate Inspirationsomewhere between "fairly often" and "frequently, if not always."

Table 6

Inspirational Motivation

Number	Quartile	Range of Mean Scores	Overall Mean
7	4th	3.7--3.1	
7	3rd	3.1--2.8	
7	2nd	2.8--2.5	
6	1st	2.4--1.8	
			2.7

Table 6 indicates that over half of the principals--those in the top two quartiles--were rated by their teachers close to 3.0 and above, that is, as demonstrating Inspiration from "Fairly often" through "Frequently, if not always." While the overall mean score of 2.7 is placed between "Sometimes" and "Fairly often," it is closer to the "Fairly often" keyed choice. These data depict that over three-fourths of the principals are seen by their teachers as inspirational "Fairly often" or "Frequently, if not always."

• *Intellectual Stimulation*

Leaders who are intellectually stimulating enhance problem-solving in the followers, and they encourage the followers to challenge old assumptions and practices. Comments made by followers about this type of transformational leader are, "She enables me to think about old problems in new ways," or "He provides me with new ways of looking at things that used to be a puzzle for me." Table 7 shows the number, quartile, range of means and overall mean for principals in the factor of Intellectual Stimulation.

Table 7

Intellectual Stimulation

Number	Quartile	Range of Means	Overall Mean
8	4th	3.4--2.8	
6	3rd	2.8--2.5	
7	2nd	2.4--2.3	
6	1st	2.2--1.6	
			2.5

While the overall mean score for this factor is below those of Idealized Influence and Inspirational Motivation at 2.5, it is still within mid-point proximity of 3 ("Fairly often"). The top two quartiles in this factor indicated that over half of the teacher raters perceived the frequency of Intellectual Stimulation being demonstrated between 2 ("Sometimes") through 4 ("Frequently, if not always"), with the greatest frequency closest to 3 ("Fairly often"). Such would indicate greater divergence in raters' perceptions of observing Intellectual Stimulation than in the previous two factors.

Individualized Consideration

The personal and personalized attention the leader gives to the followers characterizes Individualized Consideration. Developmental and situational variables influence this type of leader's orientation towards followers. Coaching and advising, delegating appropriately, serving as a role model all typify this leader's approach to fulfilling organizational goals and the potential of individual followers. Examples of questions referring to this factor were, "The leaders gets me to look at problems as learning opportunities," and "He/she treats each of us as an individual." Table 8 presents the number of principals in each quartile, the range of mean scores for each quartile and the overall mean for Individualized Consideration.

Table 8

Individualized Consideration

Number	Quartile	Range of Mean Scores	Overall Mean
7	4th	3.6--3.1	
7	3rd	3.0--2.7	
7	2nd	2.7--2.3	
6	1st	2.2--1.7	
			2.6

The factor of Individualized Consideration had a range of 3.6 (highest) to 1.7 (lowest) mean scores, with 2.6 as the overall mean. Since 2.6 falls between "Sometimes" and "Fairly often," but closer to "Fairly often," it

can be concluded that over half of the principals in this study were seen by their teachers as demonstrating Individualized Consideration fairly often or frequently. However, a greater spread between the mean (2.6) and the lowest score (1.7) exists than between the highest score (3.6) and the mean (2.6). Such indicates a tight cluster of higher ratings, with a more variant span of lower ratings.

Transactional Leadership Factors

• *Contingent Reward*

Contingent Reward refers to interactions between the leaders and followers that indicate an exchange relationship. An example would be the leader providing appropriate rewards and recognition when the followers have met agreed-upon objectives. This form of leadership is necessary for the clarification of daily organizational tasks which relate to broader organizational goals. Contingent Reward leadership also refers to the quality and quantity of feedback to the follower with respect to performance. Respondents rated their reaction to such statements as, "The leader lets me know that I can get what I want if we work as agreed," and "He/she gives me a clear understanding of what we will do for each other." The results of ratings of the principals for the Contingent Reward factor are displayed in Table 9 by number, quartile, range of mean scores and overall mean score.

Table 9

Contingent Reward

Number	Quartile	Range of Mean Scores	Overall Mean
7	4th	2.9--2.5	
7	3rd	2.4--2.2	
7	2nd	2.2--1.9	
6	1st	1.9--1.3	
			2.1

Table 9 shows that a narrow range exists in both the 3rd and 2nd quartiles. Fourteen scores fell between 2.4 and 1.9, which is over half of the total. Such would indicate a high degree of convergence of teacher perception on this factor. The top three quartiles of ratings also indicate that the majority of teachers perceived Contingent Reward leadership in their principals "Sometimes" through "Fairly often."

• *Management-by-Exception*

Management-by-Exception is a lower and more passive form of transactional leadership. This type of leadership is characterized by the leader intervening only when things go wrong. "If it ain't broke, don't fix it" is the pithy dictum associated with the Management-by-Exception style. It also refers to the leader giving negative reinforcement, such as correction, criticism, and negative feedback to the followers related to their performance. Examples of statements pertaining to this factor on the questionnaire were, "He or she arranges to know when things go wrong," and "A mistake has to occur before this person takes action." Table 10 yields data in reference to the Management-by-Exception factor by number of principals, quartile, range of mean rating scores, and the overall mean score.

Table 10
Management-by-Exception

Number	Quartile	Range of Mean Scores	Overall Mean
6	4th	2.4--2.2	
8	3rd	2.3--2.0	
6	2nd	2.0--1.8	
7	1st	1.8--1.6	
			2.0

Results displayed in Table 10 show that three-quarters of the ratings ranged from 1.8 to 2.4, which is closest to the "Sometimes" anchor than to any other. Such results indicate that while Management-by-Exception is not perceived as demonstrated "fairly often" by most raters, the data do indicate that the span of scores is far enough away from the anchors "Once in awhile" and "Not at all" to suggest that this type of leadership, while not often, is regularly demonstrated by most principals.

Analysis of Laissez-faire Factor

• *Nonleadership*

Nonleadership refers to the absence of leadership, characterized by noninterventions by the leader. Uninvolvement, indecisiveness and refusal to take a responsible stand on issues also are associated with this factor. Statements on the questionnaire which referred to Nonleadership were, "He/she has little effect on my performance, whether present or not," and "He/she doesn't tell me where he/she stands on issues." Table 11 indicates how teachers rated their principals in this factor. Again, the table displays number, quartile, range of mean scores, and overall mean score for this factor.

Table 11
Nonleadership

Number	Quartile	Range of Mean Scores	Overall Mean
7	4th	2.4--1.8	
7	3rd	1.8--1.7	
7	2nd	1.6--1.5	
6	1st	1.4--1.2	
			1.7

The mean score for Nonleadership is 1.7, which is proximate to the anchor "Sometimes." Three quarters of the total number of ratings indicate a span between .5 below and .5 above 2 ("Sometimes"). The mean score for this factor is the lowest of all seven, and while not totally absent, is observed "sometimes" in most of the principals by their teachers.

Ranking of Mean Scores by Factors

Table 12 displays the ranking of transformational factors by mean rating scores. These rankings are the average of the 482 teachers' ratings. The number of principals who scored at or above the mean in each factor is also indicated.

Table 12

Leadership Factors

Ranked by Mean Rating Scores and Number of Principals

Rank	Factor	Mean Rater Score	Number of Principals
1	Idealized Influence	2.9	18
2	Inspirational Motivation	2.7	16
3	Individualized Consideration	2.6	18
4	Intellectual Stimulation	2.5	14
5	Contingent Reward	2.1	15
6	Management-by-Exception	2.0	15
7	Nonleadership	1.7	14

The ranked mean scores displayed in Table 12 for each of the factors present a positive finding for the principals. Since the range of means of the four transformational factors--from 2.9 to 2.5-- are all close to the anchor 3, one-half or more principals demonstrate transformational leadership "Fairly often" and "Frequently, if not always," while the remaining one-half of the group do so "Sometimes." Over one-half of the group is rated by teachers as demonstrating Contingent Reward and Management-by-Exception "Sometimes." Nonleadership, while lower than the two transactional factors, is still closer to the anchor 2 ("Sometimes") than 1 ("Once in awhile").

Analysis of Organizational Outcomes

Besides ratings on the seven factors, the Multifactor Leadership Questionnaire also assessed six organizational outcomes which related to followers' extra effort, individual and unit effectiveness, and satisfaction with the leader's style and methods. The significance of organizational outcomes data pertains to the empirical findings linking transformational and active transactional leadership with benefits to the organization and to the individuals within organizations. Individuals report more satisfaction and sense of efficacy in working for a leader who is transformational than with one who is not. Seltzer, Numerof, and Bass (1990) found that less stress and burnout are experienced by employees who work for transformational rather than transactional leaders. The organizational outcomes and their descriptors used for the MLQ are listed in Table 13.

Table 13

Organizational Outcomes and Descriptors

Outcomes	Description
1. Amount of Extra Effort	The extent to which teachers exert effort beyond the ordinary as a consequence of the leadership.
2. Relations to Higher-ups	How well the principal represents teachers' needs to higher-ups
3. Unit Effectiveness	The effectiveness of the performance of the principal and the group of teachers
4. Job Effectiveness	How well the principal meets the job-related needs of teachers
5. Organizational Effectiveness	The extent to which the principal contributes to organizational effectiveness
6. Satisfaction	How satisfied teachers are with the principal's leadership style and methods

These outcomes were formulated as a result of empirical evidence that links individual and organizational success to transformational leadership. Transformational leadership produces benefits in both the organization and in individuals. While transactional leadership also positively impacts the development of followers and their productivity, it does so to a lesser degree than does transformational leadership. The premise upon which this leadership paradigm is built is that transformational leadership augments transactional leadership, and that the integration of both are necessary for optimal results in an organization.

Organizational Norms for Organizational Outcomes

Principals and teachers rated the principal's effectiveness on each of the six organizational outcomes. Table 14 presents the mean self-rating of the principals (S), the rater mean score by the teachers (R) for each outcome and the difference between the principals' mean rating and the teachers' rating (S-R).

Table 14

Organizational Norms for Organizational Outcomes

Outcomes for the Organization	Mean Score	S-R
Amount of Extra Effort	2.8 Self	0.4
	2.4 Rater	
Relations to Higher-Ups	3.3 Self	0.4
	2.9 Rater	
Unit Effectiveness	3.0 Self	0.3
	2.7 Rater	
Job Effectiveness	2.9 Self	0.2
	2.7 Rater	
Organizational Effectiveness	3.0 Self	0.1
	2.9 Rater	
Satisfaction	3.1 Self	0.2
	2.9 Rater	

Key:	Amount of Extra Effort	Relations to Higher-ups and Effectiveness	Satisfaction
	0 = Not at all	0 = Not effective	0 = Very dissatisfied
	1 = Once in awhile	1 = Only slightly effective	1 = Somewhat dissatisfied
	2 = Sometimes	2 = Effective	2 = Neither satisfied nor dissatisfied
	3 = Fairly often	3 = Very effective	3 = Fairly satisfied
	4 = Frequently, if not always	4 = Extremely effective	4 = Very satisfied

Table 14 shows that the organizational norms for the organizational outcomes of the teachers' ratings range from 2.4 (Amount of Extra Effort) to 2.9 ("Relations to Higher-Ups," "Organizational Effectiveness" and "Satisfaction"). For the principals' self ratings, the range is 2.8 ("Amount of Extra Effort") to 3.3 ("Relations to Higher-Ups"). These ranges indicate that both teachers and principals perceive organizational effectiveness as a consequence of the principal's leadership to a fairly high degree. The percentage of teachers who express higher ratings in each of the outcomes as correlated with each of the transformational factors is displayed in Table 15.

Table 15 demonstrates that those principals who received higher Idealized Influence factor ratings, also had a greater percentage of teachers who indicated higher ratings ("3" or "4") on each of the six outcomes. The upper quartiles in Table 15 refers to the principals who were rated as "3" or "4" in Idealized Influence. Lower quartiles refers to principals whose ratings were 2, 1, or 0 in the same factor. The percentages displayed in Table 15 clearly shows how certain leadership styles (e.g., Transformational and Contingent Reward) result in the highest performance ratings on the outcome measures. Conversely, the styles of Management-by-Exception and Nonleadership result in lower numbers of performance ratings on the outcome measures.

Table 15

Organizational Outcomes

by

Transformational Leadership Factors, Quartile Ratings, and Percentage of "3" or "4" Ratings

Outcomes	Quartile	Percentage of "3" or "4" Ratings on Organizational Outcomes			
		Idealized Influence	*Inspirational Motivation*	*Intellectual Stimulation*	*Individualized Consideration*
Amount of Extra Effort	Upper Quartiles	79%	77%	78%	76%
	Lower Quartiles	25%	24%	24%	24%
	Difference	4	53	54	52
Relations to Higher-Ups	Upper Quartiles	91%	87%	92%	88%
	Lower Quartile	36%	36%	36%	36%
	Difference	55	51	56	52
Unit Effectiveness	Upper Quartiles	93%	90%	92%	88%
	Lower Quartiles	43%	39%	39%	39%
	Difference	50	51	53	50
Job Effectiveness	Upper Quartiles	80%	76%	83%	78%
	Lower Quartiles	27%	31%	31%	31%
	Difference	53	45	52	47
Organization Effectiveness	Upper Quartiles	92%	91%	93%	92%
	Lower Quartiles	39%	41%	41%	41%
	Difference	53	50	52	51
Satisfaction	Upper Quartiles	96%	94%	96%	94%
	Lower Quartiles	43%	46%	46%	46%
	Difference	53	48	50	48

Central to a discussion of the data in Table 15 is the large difference between outcome percentages of upper and lower quartile ratings on all four of the transformational factors. In all but four instances, the difference between the upper and lower quartile ratings is 50 or more. In the four exceptions, the differences are still substantial at 45%, 47%, 48% and 48%. These findings verify earlier research which associates greater and more positive organizational effects associated with transformational leadership.

Comparisons of the relationship between the six outcomes and the three factors of Contingent Reward, Management-by-Exception and Nonleadership are shown in Table 16.

Table 16

Organizational Outcomes

by

Contingent Reward, Management-by-Exception, Nonleadership and Percentage of "3" or "4" Ratings

Outcomes	Quartile	Percentage of "3" or "4" Ratings on Organizational Outcome		
		Contingent Reward	*Management-by-Exception*	*Nonleadership*
Amount of Extra Effort	Upper Quartiles	72%	50%	38%
	Lower Quartiles	27%	55%	68%
	Difference	45	-5	-30
Relations to Higher-Ups	Upper Quartiles	82%	61%	43%
	Lower Quartiles	40%	70%	87%
	Difference	42	-9	-44
Unit Effectiveness	Upper Quartiles	82%	65%	50%
	Lower Quartiles	44%	66%	82%
	Difference	38	-1	-32
Job Effectiveness	Upper Quartiles	74%	53%	39%
	Lower Quartiles	36%	69%	78%
	Difference	38	-16	-39
Organization Effectiveness	Upper Quartiles	85%	66%	51%
	Lower Quartiles	46%	74%	87%
	Difference	39	-8	-36
Satisfaction	Upper Quartiles	91%	75%	61%
	Lower Quartiles	49%	73%	89%
	Difference	42	-2	-28

The inverse relationship of Nonleadership to the six organizational outcomes is most evident in Table 16. As indicated, higher ratings in Management-by-Exception and Nonleadership are associated with lower percentages on each of the outcomes. While the percentage differences between upper and lower quartile ratings for Contingent Reward are not as large as those for the four transformational factors, they still demonstrate that high ratings on Contingent Reward also produces larger percentages of teachers who report

positive organizational and individual outcomes. Higher ratings in Management-by-Exception and Nonleadership are associated with lower percentages on each of the outcomes. While the percentage differences between upper and lower quartile ratings for Contingent Reward are not as large as those for the four transformation factors, they still demonstrate that high ratings on Contingent Reward produces larger percentages of teachers who report positive organizational and individual outcomes. This finding buttresses the assertion that active transactional leadership, as manifested in Contingent Reward, is a necessary component in the formula for positive organizational leadership.

Correlation of Leadership Factors with Outcomes for the Organization

A matrix of intercorrelations for all leadership and outcome factors is presented in Table 17. The values displayed in this table are Pearson product-moment correlations. These correlations indicate the degree of relationship between each of the seven leadership factors and the outcome measures; the table of correlations is produced using teachers' ratings. As noted at the bottom of Table 17, each value represents a correlation coefficient that can range from a perfect negative correlation (-1.00) to a perfect positive correlation (+1.00).

Table 17
Correlation of Leadership Factors with Outcomes for the Organization

Leadership Factor	Amount of Extra Effort	Relations to Higher-Ups	Unit Effectiveness	Job Effectiveness	Organizational Effectiveness	Satisfaction
Transformational Leadership						
Idealized Influence	0.94	0.84	0.86	0.92	0.91	0.94
Inspirational Motivation	0.95	0.80	0.83	0.87	0.87	0.91
Intellectual Stimulation	0.95	0.88	0.90	0.92	0.93	0.93
Individual	0.92	0.66	0.73	0.78	0.77	0.84
Transactional Leadership						
Contingent Reward	0.69	0.44	0.55	0.57	0.56	0.66
Management-by-Exception	-0.19	-0.32	-0.09	-0.26	-0.21	-0.14
Non-Leadership						
Laissez-Faire	-0.50	-0.70	-0.51	-0.60	-0.61	-0.50

Correlations range between: -1.00 ---------- 0.00 ---------- 1.00

A perfect negative relationship — No relationship — A perfect positive relationship

Table 17 shows that transformational leadership is positively related to each of the six outcome measures. Contintent Reward leadership is also positively related to the outcome measures, althought to a lesser degree. Management-by-Exception exhibits a low but nonsignificant relationship with each outcome measure, while higher ratings on Laissez-Faire leadership are associated with lower ratings on each outcome measure.

Analysis of Principals' Self-ratings vs. Teachers' Ratings: Discrepancy Scores

Each principal in this study completed the Multifactor Leadership Questionnaire "Self-rating" form on each of the same items as did teachers. Discrepancy scores emerged which indicated that principals' self-ratings on each of the factors were either inflated or deflated in contrast to their teachers' ratings on the same factors. The issue of discrepancies between self-ratings of transformational, transactional, and nonleadership factors and those ratings generated by supervisees is of importance to the discussion of effective leadership. Those leaders who generate higher levels of agreement with follower ratings tend to be the most successful in organizations with respect to promotion and advancement rates (Yammarino & Bass, 1990). Authors of the Multifactor Leadership Questionnaire state that a ".5 scale difference between self and other ratings is large enough to warrant attention."(Avolio & Bass,1990). Additionally, "a consistent pattern of the leader overrating or underrating himself or herself--even if less than .5 on each scale--should be brought to the leader's attention..." (Avolio and Bass,1990).

Table 18 shows individual discrepancy scores of the twenty-seven principals' ratings on each of the seven MLQ factors. The discrepancy scores are the difference between each principal's self-rating and the teachers' ratings on each factor, either plus or minus, that is, the discrepancy measures were based on the principals' either overrating or underrating themselves in comparison to the teachers' ratings. The mean score for each principal is the average of all seven factors' discrepancy scores.

Table 18
Discrepancy Mean Scores

Principal	Idealized Influence	Inspirational Motivation	Intellectual Stimulation	Individualized Consideration	Contingent Reward	Management-by Exception	Nonleadership	Mean
1	0.8	0.7	0.5	1.1	1.2	0.8	0.8	**0.8**
2	0.3	0.2	0.1	0.2	0.4	1.3	1.1	**0.5**
3	1.5	1.4	1.2	1.6	0.2	1.8	1.6	**1.3**
4	0.5	0.4	0.2	0.1	0.7	0.2	0.1	**0.3**
5	0.0	0.3	0.2	0.3	1.5	0.3	0.8	**0.5**
6	0.5	0.1	0.1	0.3	0.6	1.1	0.2	**0.4**
7	0.2	0.2	0.2	0.1	0.1	0.5	0.7	**0.3**
8	1.1	0.1	0.8	0.7	0.6	0.3	0.5	**0.8**
9	0.4	0.0	0.4	0.3	0.3	0.4	0.6	**0.3**
10	0.8	0.3	1.1	1.0	0.4	0.6	0.1	**0.6**
11	0.4	0.5	0.7	0.3	0.1	0.8	0.3	**0.4**
12	0.7	0.7	0.8	1.1	0.6	0.1	0.6	**0.7**
13	0.2	0.3	0.0	0.2	--	0.5	0.3	**0.3**
14	0.0	0.3	0.0	0.2	0.6	0.6	0.1	**0.3**
15	0.3	0.6	0.2	0.2	0.5	0.8	0.5	**0.5**
16	1.0	0.1	0.1	0.0	0.4	1.3	1.3	**0.6**
17	0.3	0.1	0.2	0.1	0.3	0.1	0.3	**0.2**
19	0.7	0.5	0.5	0.7	0.4	0.0	0.5	**0.5**
20	0.6	0.6	0.3	0.2	0.3	0.1	0.6	**0.4**
21	0.4	0.5	0.2	0.6	0.2	0.0	0.7	**0.4**
22	0.1	0.4	0.3	0.1	0.4	0.7	0.1	**0.3**
23	0.4	0.6	0.3	0.3	0.2	1.0	1.3	**0.6**
24	0.5	0.7	0.2	0.6	0.2	1.0	0.9	**0.6**
25	0.6	0.8	1.0	0.9	0.7	0.9	1.0	**0.9**
26	0.9	0.0	0.6	0.6	0.1	0.1	0.4	**0.4**
27	0.0	0.1	0.3	0.3	0.1	0.9	0.4	**0.3**
Mean	**0.5**	**0.4**	**0.4**	**0.5**	**0.5**	**0.6**	**0.6**	**0.5**

As a group, the principals average a .5 discrepancy score for all seven factors combined. This indicates that a high enough level of disagreement exists between self-ratings and teacher ratings to warrant attention to congruence between the leaders' perceptions and the followers. The range of individual principals' discrepancy scores also raises points of discussion. In the Idealized Influence factor, for example, discrepancy scores ranged from 0 to 1.5. Fourteen of the scores were below .5, while the remaining thirteen were at .5 or above. Almost one-half of the principals in this group consistently tend to disagree with their teachers on specific items in the questionnaire. The largest discrepancy mean score is .6 for both Management-by-Exception and Nonleadership. These discrepancy scores indicate that the principals tend to see themselves as more effective than do their teachers. Principals overall underrated themselves in these two factors in comparison to teachers' ratings, both factors of which are associated with less positive and/or negative organizational outcomes.

Chapter 4

Summary, Conclusions and Recommendations

Analysis of data collected from the Multifactor Leadership Questionnaire on the 27 principals yielded findings which provided (1) average factor score ratings on each of the seven leadership factors, (2) normative data for organizational outcomes, (3) percentage data which indicated the relationship of each of the seven factors to the six organizational outcomes, and (4) discrepancy mean scores which measured the agreement/disagreement between principals' self-ratings and teachers' ratings. Conclusions and recommendations drawn from the analyses of data are:

1. Overall, the principals' group profile regarding the four transformational leadership factors was quite positive. The average factor score ratings generated by the teachers (all direct reports of the principals) on all four factors ranged between 2.5 and 2.9, indicating that somewhere between "sometimes" and "fairly often," this group of principals displayed transformational leadership behaviors. Although there is clearly room for improvement on each respective transformational leadership factor, the pattern of results indicates that these principals, on average, tend to show transformational leadership behaviors.

2. In terms of improvement, the scores of Intellectual Stimulation (2.5) and Individualized Consideration (2.6) could be raised to approximate the two higher ratings of Idealized Influence (2.9) and Inspiration (2.7), which would be closer to "frequently, if not always" demonstration of these factors.

3. Teacher ratings on Contingent Reward leadership indicate that there is clear room for improvement on this dimension of leadership. A plausible goal for the group would be to increase the mean score generated by teachers to a score ranging from 2.5 to 2.8, that is, to provide contingent-reward style of leadership "fairly often." This would increase principal effectiveness and consistency through more frequent constructive exchanges with teachers.

4. Principals in this group tend to underestimate their use of Management-by-Exception (-0.4). By increasing the frequency of constructive exchanges between principals and teachers as suggested above for contingent reward leadership, and by minimizing the corrective action taken by the principals with teachers, ratings generated by teachers for transactional leadership could be improved.

5. Principals in this group underrate their inactive, Nonleadership style than perceived by teachers (-0.5). A difference of .5 is large enough to warrant attention with respect to disagreement with teachers' ratings. If the principals increase their number of constructive transactional exchanges with teachers, as suggested above, they will likely lower their scores on inactive Laissez-faire leadership without any further effort.

6. Percentage scores and correlations on the six organizational outcomes verify earlier empirical findings which link higher transformational leadership and contingent reward leadership.

7. This group principals consistently overrated or underrated themselves on all factors, especially in Idealized Influence, Individual Consideration, Contingent Reward, Management-by-Exception, and Nonleadership, all of which are at a discrepancy mean of .5 or above. If principals increase their interactions with teachers, as suggested above for transactional leadership effects, and use their individual MLQ profile results as reference for changes in their leadership styles, the likelihood of closer agreement between self and teachers' ratings will occur.

This study applied previous research findings defining transformational and transactional leadership to regional school principals and measured their effects on organizational outcomes. The findings of the study suggest positive conclusions about the compatibility and potential of such research applied to the school setting. As with most research, questions are raised for further study. Can transformational leadership development be increased in the principals? What situational and organizational variables mitigate the effects of a transformational principal? What are the key personality components of transformational leadership? What relationships exist between transformational leadership and school innovation? Such questions pose interesting future assignments for researchers.

References

Bass, B.M., & Avolio, B.J. (1990). *Transformational Leadership Development: Manual for the Multifactor Leadership Questionnaire*. Consulting Psychological Press, Inc.

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